Agricultural Marketing Service, USDA

Service, and certified as to segregation, moisture content, and foreign material.

- (b) Moisture. Domestic and imported peanuts shall be dried to 18 percent or less prior to inspection and to 10.49 percent or less prior to storing or milling: Provided, That Virginia-type peanuts used for seed shall be dried to 18 percent or less prior to inspection and to 11.49 percent or less prior to storing or milling.
- (c) Foreign material. No handler or importer shall receive or acquire farmers stock peanuts for subsequent disposition to human consumption outlets containing more than 10.49 percent foreign material, except that peanuts having a higher foreign material content may be received or acquired if they are held separately until milled, or moved over a sand-screen before storage, or shipped directly to a plant for prompt shelling. The term sand-screen means

any type of farmers stock cleaner which removes sand and dirt.

(d) A handler may receive or acquire any peanuts from other persons for edible and non-edible use: *Provided*, That such peanuts intended for human consumption are inspected and certified pursuant to \$996.31 prior to such disposition. Non-edible uses may include, but are not limited to, seed, oilstock, animal feed, bird seed, or for export.

[67 FR 57140, Sept. 9, 2002, as amended at 68 FR 1157, Jan. 9, 2003; 70 FR 44046, Aug. 1, 2005]

§996.31 Outgoing quality standards.

(a) Shelled peanuts: No handler or importer shall ship or otherwise dispose of shelled peanuts for human consumption unless such peanuts are positive lot identified, chemically analyzed by a USDA laboratory or USDA-approved laboratory and certified "negative" as to aflatoxin, and certified by the Inspection Service as meeting the following quality standards:

§ 996.31

MINIMUM QUALITY STANDARDS—PEANUTS FOR HUMAN CONSUMPTION [Whole kernels and splits: Maximum limitations]

Type and grade category	Unshelled peanuts and damaged kernels (percent)	Unshelled peanuts and damaged kernels and minor defects (percent)	Total fall through Sound whole kernels and/or sound split and broken kernels	Foreign materials (percent)	Moisture (percent)
		Excluding Lots of "splits"	s of "splits"		
Numer (except No. 2) Spanish and Valencia No. 2 Virginia No. 2 Virginia No. 2 Virginia No. 2 Virginia No. 15% sound spilts) Virginia with spilts (not more than 15% sound spilts) Spanish and Valencia with spilts (not more than 15% sound spilts).	1.50 1.50 1.50 1.50 1.50 1.50	2.50 6.00% 2.50 6.00% 3.00 6.00% 2.50 6.00% 2.50 6.00% 2.50 6.00% 2.50 6.00%	6.00%; 17%4 inch round screen 6.00%; 17%4 inch round screen 6.00%; 19%4 inch round screen 6.00%; 17%4 inch round screen 6.00%; 17%4 inch round screen 6.00%; 19%4 inch round screen 6.00%; 19%4 inch round screen 6.00%; 19%4 inch round screen	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	0 0 0 0 0 0 0
Runner (not less than 90% splits)	2.00	2.50 2.50 2.50	6.00%; 17%4 inch round screen	20 50 50	00.6

- (b) Cleaned-inshell peanuts: No handler or importer shall ship or otherwise dispose of cleaned-inshell peanuts for human consumption unless such peanuts are Positive lot identified and are determined by the Inspection Service to contain:
- (1) Not more than 1.00 percent kernels with mold unless a sample of such peanuts, drawn by an inspector of the Inspection Service, is analyzed chemically by a USDA laboratory or a USDA-approved laboratory and certified "negative" as to aflatoxin;
- (2) Not more than 2.00 percent peanuts with damaged kernels;
- (3) Not more than 10.00 percent moisture; or
- (4) Not more than 0.50 percent foreign material.

[67 FR 57140, Sept. 9, 2002; 67 FR 63503, Oct. 11, 2002, as amended at 68 FR 46924, Aug. 7, 2003; 68 FR 53490, Sept. 11, 2003]

§996.40 Handling standards.

(a) Identification: Each lot of shelled or cleaned inshell peanuts intended for human consumption shall be identified by positive lot identification prior to being shipped or otherwise disposed of. Positive lot identification (PLI) methods are tailored to the size and containerization of the lot, by warehouse storage or space requirements, or, by necessary further movement of the lot prior to certification. Positive lot identification is established by the Inspection Service and includes the following methods of identification. For domestic lots and repackaged import lots, PLI includes PLI stickers, tags or seals applied to each individual package or container in such a manner that is acceptable to the Inspection Service and maintains the identity of the lot. For imported lots, PLI tape may be used to wrap bags or boxes on pallets, PLI stickers may be used to cover the shrink-wrap overlap, doors may be sealed to isolate the lot, bags or boxes may be stenciled with a lot number, or any other means that is acceptable to the Inspection Service. The crop year or quota year shown on the positive lot identification tags shall be the year in which the peanuts in the lot were produced domestically or imported into the U.S., as appropriate. All lots of shelled and cleaned-inshell peanuts

- shall be handled, stored, and shipped under positive lot identification procedures, except those lots which are reconstituted and/or commingled at the request of the buyer: *Provided*, That the reconstituted or commingled lots were previously positive lot identified and certified as meeting the outgoing standards of §996.31.
- (b) Sampling and testing shelled peanuts for outgoing Inspection: Prior to shipment, the following sampling and inspection procedures shall be conducted on each lot of shelled peanuts intended for human consumption. The lot size of shelled or cleaned-inshell peanuts presented for outgoing inspection in bags or bulk shall not exceed 200,000 pounds.
- (1) Each handler or importer shall cause appropriate samples, based on a sampling plan approved by the Inspection Service, of each lot of shelled peanuts intended for human consumption to be drawn by the Inspection Service. The gross amount of peanuts drawn shall be large enough to provide for a grade analysis, for a grading checksample, and for three 48-pound samples for aflatoxin chemical analysis. The three 48-pound samples shall be designated by the Inspection Service as "Sample 1," "Sample 2," and "Sample 3" and each sample shall be placed in a suitable container and positive lot identified by means acceptable to the Inspection Service. Sample 1 may be prepared for immediate testing or Sample 1, Sample 2, and Sample 3 may be returned to the handler or importer for testing at a later date. Imported peanuts shall be labeled "Sample 1IMP," "Sample 2IMP," and "Sample 3IMP" and handled accordingly.
- (2) Before shipment of a lot of shelled peanuts to a buyer, the handler or importer shall cause Sample 1 to be ground by the Inspection Service, a USDA laboratory or a USDA-approved laboratory, in a "subsampling mill." The resultant ground subsample from Sample 1 shall be of a size specified by the Inspection Service and shall be designated as "Subsample 1-AB" and at the handler's, importer's or buyer's option, a second subsample may also be extracted from Sample 1. It shall be designated as "Subsample 1-CD." Subsample 1-CD may be sent as requested